

# Kushner LaGraize, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

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Members  
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## INDEPENDENT AUDITORS' REPORT

Honorable Roy M. Cascio, Judge, Division "A"  
Honorable Stephen C. Grefer, Judge, Division "B"  
Second Parish Court for the Parish of Jefferson  
New Courthouse  
Gretna, Louisiana

We have audited the accompanying basic financial statements of the Second Parish Court Judicial Expense Fund (the Fund) as of and for the year ended December 31, 2011. These basic financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Second Parish Court Judicial Expense Fund as of December 31, 2011 and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 23, 2012, on our consideration of the Second Parish Court Judicial Expense Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the other required supplementary information on pages 3 through 5 and 15, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

KUSHNER LAGRAIZE, L.L.C.

*Kushner LaGraize, L.L.C.*

Metairie, Louisiana  
June 23, 2012

**INDEPENDENT AUDITORS' REPORT  
ON  
BASIC FINANCIAL STATEMENTS,  
COMPLIANCE AND  
INTERNAL CONTROLS  
OF  
SECOND PARISH COURT JUDICIAL EXPENSE FUND  
FOR THE PARISH OF JEFFERSON, LOUISIANA  
December 31, 2011**

JEFFERSON PARISH, LOUISIANA  
SECOND PARISH COURT JUDICIAL EXPENSE FUND  
TABLE OF CONTENTS  
December 31, 2011

	<u>PAGE</u>	
INDEPENDENT AUDITORS' REPORT .....	1-2	
MANAGEMENT'S DISCUSSION AND ANALYSIS .....	3-5	
BASIC FINANCIAL STATEMENTS		
Government-wide Financial Statements:		
Statement of Net Assets .....	6	
Statement of Activities .....	7	
Fund Financial Statements:		
Governmental Fund Balance Sheet .....	8	
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Assets ..	9	
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund .....	10	
Reconciliation of the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance Governmental Fund Type to the Statement of Activities .....	11	
Notes to Financial Statements .....	12-14	
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual .....	15	
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS .....		16-17

## JEFFERSON PARISH, LOUISIANA

### SECOND PARISH COURT JUDICIAL EXPENSE FUND

#### Management's Discussion and Analysis

December 31, 2011

The Management's Discussion and Analysis (MD&A) of the Second Parish Court Judicial Expense Fund's (the Expense Fund's) annual financial report provides important background information and management's analysis of the Expense Fund's financial performance during the fiscal year that ended on December 31, 2011. Please read this section in conjunction with the basic financial statements and the notes to the basic financial statements beginning on page 12 of this report.

The MD&A is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34—*Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments* issued in June 1999. Certain comparative information between the current year (2011) and the prior year (2010) is required to be presented in the MD&A.

#### Financial Highlights

The total assets of the Expense Fund at the close of 2011 and 2010 were \$1,696,465 and \$1,588,473, respectively, representing an increase of \$107,992 in 2011. Of this amount \$35,679 and \$8,034, respectively, were invested in capital assets. The remainder is considered unrestricted and may be used for any lawful purpose.

Total costs of the Expense Fund's programs in 2011 and 2010 were \$129,765 and \$203,288, respectively, representing a decrease of \$73,523. The fund balance (unrestricted net assets) in 2011 and 2010 was \$1,657,692 and \$1,574,900, respectively, representing an increase of \$82,792. The decrease in expenditures is due to the transfer of \$0 in 2011 as compared to \$80,729 in 2010 to Jefferson Parish as a contribution towards new facilities built for the Court.

#### Overview of the Financial Statements

This financial report consists of the following basic parts: management's discussion and analysis (this section), the basic financial statements, the notes to the financial statements and supplementary information.

The basic financial statements contained in this report are presented using GASB accounting principles. These financial statements provide overall information about the Expense Fund's financial activities on both a short-term and long-term basis. The statement of net assets presents information about its assets (resources) and liabilities (the amounts obligated to its creditors). The statement of revenues, expenses, and changes in net assets presents information about the current year's revenues and expenses. This statement can be used to measure operating improvements or deterioration as well as provide useful information for determining whether the Expense Funds' revenues were sufficient to allow the Expense Fund to recover all its costs. The notes to financial statements are also an integral part of this report.

**JEFFERSON PARISH, LOUISIANA**  
**SECOND PARISH COURT JUDICIAL EXPENSE FUND**

**Management's Discussion and Analysis**

**December 31, 2011**

**Net Assets**

A summary of the Expense Fund's Statements of Net Assets is presented in Table 1 below:

TABLE 1  
Condensed Statement of Net Assets  
As of December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>	<u>Change</u>
Current assets	\$ 1,660,786	\$ 1,580,439	\$ 80,347
Noncurrent assets:			
Capital assets-net	35,679	8,034	27,645
Total assets	<u>1,696,465</u>	<u>1,588,473</u>	<u>107,992</u>
Current liabilities	<u>3,094</u>	<u>5,539</u>	<u>2,445</u>
Total liabilities	<u>3,094</u>	<u>5,539</u>	<u>2,445</u>
Net assets:			
Invested in capital assets	35,679	8,034	27,645
Unrestricted	1,657,692	1,574,900	82,792
Total net assets	<u>\$ 1,693,371</u>	<u>\$ 1,582,934</u>	<u>\$ 110,437</u>

The Expense Fund's net assets increased \$110,437 to \$1,693,371 in fiscal year 2011, from \$1,582,934 at the end of fiscal year 2010. The change in net assets is primarily due to a decrease in the transfer of funds to Jefferson Parish as compared to prior year which was contributed towards the new facilities built for the court.

**Summary of Revenues, Expenses, and Changes in Net Assets**

The following table presents a summary of the Expense Fund's revenues and expenses for the fiscal years ended December 31, 2011 and 2010.

**JEFFERSON PARISH, LOUISIANA**  
**SECOND PARISH COURT JUDICIAL EXPENSE FUND**

**Management's Discussion and Analysis**

**December 31, 2011**

TABLE 2  
Condensed Statement of Revenues, Expenses, and Changes in Net Assets  
For the years ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>	<u>Change</u>
Charges for Services	\$ 240,202	\$ 277,732	\$ (37,530)
Expenses	<u>129,765</u>	<u>203,288</u>	<u>73,523</u>
Increase/(decrease) from program activities	110,437	74,444	35,993
Change in net assets	110,437	74,444	35,993
Total net assets, beginning of year	<u>1,582,934</u>	<u>1,508,490</u>	<u>74,444</u>
Total net assets, end of year	<u><u>\$ 1,693,371</u></u>	<u><u>\$ 1,582,934</u></u>	<u><u>\$ 110,437</u></u>

**Budgets**

The budget was amended one time during the year. The primary reason for amending the budget was to prevent compliance violations under state law. The major differences between the original General Fund budget and the final amended budget were as follows:

**Revenues**

- Fines and forfeitures decreased by \$67,500 to better reflect the payments the Fund will be receiving for the remainder of the year.

**Other Financing Sources (Uses)**

- Transfers out decreased \$90,000 because the Fund was not required to make a transfer for the year ended December 31, 2011.

**Contacting the Expense Fund's Financial Management**

This financial report is designed to provide all interested parties with a general overview of the Expense Funds' finances and to demonstrate the Expense Funds' accountability for money it receives. If you have questions about this report or need additional financial information, contact the Jefferson Parish Finance Department at (504) 364-2767.

JEFFERSON PARISH, LOUISIANA  
SECOND PARISH COURT JUDICIAL EXPENSE FUND  
STATEMENT OF NET ASSETS  
December 31, 2011

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 1,646,056
Due from other governments	14,730
Capital assets (net of accumulated depreciation)	<u>35,679</u>
TOTAL ASSETS	<u>1,696,465</u>
LIABILITIES	
Accounts payable	808
Accrued Salaries	<u>2,286</u>
TOTAL LIABILITIES	<u>3,094</u>
NET ASSETS	
Invested in capital assets	35,679
Unrestricted	<u>1,657,692</u>
TOTAL NET ASSETS	<u>\$ 1,693,371</u>

The accompanying notes are an integral part of this statement.



JEFFERSON PARISH, LOUISIANA  
 SECOND PARISH COURT JUDICIAL EXPENSE FUND  
 STATEMENT OF ACTIVITIES  
 Year Ended December 31, 2011

	<u>Program Revenues</u>		
<u>FUNCTIONS/PROGRAMS</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Net (Expense) Revenue</u>
Governmental Activities:			
Judicial Expense Fund	<u>\$ 129,765</u>	<u>\$ 240,202</u>	<u>\$ 110,437</u>
Total Governmental Activities	<u>\$ 129,765</u>	<u>\$ 240,202</u>	<u>110,437</u>
Increase in net assets			110,437
Net assets-January 1, 2011			<u>1,582,934</u>
Net assets-December 31, 2011			<u>\$ 1,693,371</u>

The accompanying notes are an integral part of this statement.

JEFFERSON PARISH, LOUISIANA  
 SECOND PARISH COURT JUDICIAL EXPENSE FUND  
 GOVERNMENTAL FUND BALANCE SHEET  
 December 31, 2011

	GOVERNMENTAL FUND TYPE
	GENERAL FUND
ASSETS	
Cash and cash equivalents	\$ 1,646,056
Due from other governments	<u>14,730</u>
TOTAL ASSETS	<u>\$ 1,660,786</u>
LIABILITIES AND FUND EQUITY	
LIABILITIES	
Accounts payable	\$ 808
Accrued Salaries	<u>2,286</u>
TOTAL LIABILITIES	3,094
FUND EQUITY	
Fund balance - unassigned	<u>1,657,692</u>
TOTAL FUND EQUITY	<u>1,657,692</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 1,660,786</u>

The accompanying notes are an integral part of this statement.

JEFFERSON PARISH, LOUISIANA  
SECOND PARISH COURT JUDICIAL EXPENSE FUND  
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS

December 31, 2011

Total Fund Balance at December 31, 2011		
Governmental Fund		\$ 1,657,692
Cost of Capital Assets at December 31, 2011	78,288	
Less-Accumulated depreciation at December 31, 2011	<u>(42,609)</u>	<u>35,679</u>
Net Assets at December 31, 2011		<u>\$ 1,693,371</u>

The accompanying notes are an integral part of this statement.

JEFFERSON PARISH, LOUISIANA  
 SECOND PARISH COURT JUDICIAL EXPENSE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE-GOVERNMENTAL FUND TYPE

Year Ended December 31, 2011

	<u>GENERAL FUND</u>
Revenues	
Charges for services	\$ 215,127
Fines & forfeitures	25,075
Court cost assessments	<u>25,075</u>
 Total Revenues	 <u>240,202</u>
Expenditures	
Current	
General government	
Salaries & benefits	59,041
Outside services	30,924
Supplies & office expense	35,011
Capital Outlay	<u>32,434</u>
 Total current expenditures	 <u>157,410</u>
 Excess (deficiency) of revenues over expenditures	 82,792
Fund balance	
Beginning of year	<u>1,574,900</u>
End of year	<u>\$ 1,657,692</u>

The accompanying notes are an integral part of this statement.

JEFFERSON PARISH, LOUISIANA  
SECOND PARISH COURT JUDICIAL EXPENSE FUND  
RECONCILIATION OF THE GOVERNMENTAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
TO THE STATEMENT OF ACTIVITIES

December 31, 2011

Total net increase in fund balance-governmental fund		\$ 82,792
Amounts reported for governmental activities in the Statement of Activities are different due to:		
Capital outlay	32,434	
Depreciation expense	<u>(4,789)</u>	<u>27,645</u>
Increase in net assets of governmental activities		<u>\$ 110,437</u>

The accompanying notes are an integral part of this statement.

JEFFERSON PARISH, LOUISIANA  
SECOND PARISH COURT JUDICIAL EXPENSE FUND  
NOTES TO FINANCIAL STATEMENTS

December 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Second Parish Court Judicial Expense Fund (the Fund) for the Parish of Jefferson conform to U. S. generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

1. Reporting Entity

The Second Parish Court Judicial Expense Fund for the Parish of Jefferson was established July 18, 1982, under the provisions of Louisiana R.S. 13:2562.22. These statutes provide for this fund to operate under the sole and exclusive authority of the Second Parish Court judges. As such, the Parish Council is not financially accountable for these funds.

As required by U. S. generally accepted accounting principles, this report includes all funds and account groups of the Second Parish Court Judicial Expense Fund (the primary government) that are controlled or dependent on the judges of the Second Parish Court. No other organization was determined to be a component unit of the Fund. Therefore, no blended or discretely presented component units are presented in the accompanying financial statements.

2. Basis of Presentation

The accompanying financial statements of the Fund have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, issued in June 1999.

3. Basis of Accounting

Government-Wide Financial Statements

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. Activities are presented using the economic resources method. The accounting objective of this measurement focus is the determination of operating income, changes in net assets, and financial position. All assets and liabilities (whether current or noncurrent) associated with the government's activities are reported. Fund equity is classified as net assets. Government activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, the Statement of Net Assets and Statement of Activities present revenues, expenses, and fixed asset acquisitions as follows:

Revenues – Revenues are recognized in the accounting period in which they are earned.

Expenses – Expenses are recorded when the liability is incurred or economic asset used.

Fixed Assets – Fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost, except for donated fixed assets which are recorded at their estimated fair value at the date of donation.

Fund Financial Statements

The Fund uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are typically classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

JEFFERSON PARISH, LOUISIANA  
SECOND PARISH COURT JUDICIAL EXPENSE FUND  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The modified accrual basis of accounting is used by governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Fines and fees collected and held by intermediary collecting governments at year end on behalf of the Fund are considered susceptible to accrual and are recognized as revenues.

4. Cash

All of the Fund's deposits, including cash, money market accounts, and certificates of deposit are carried at cost. The Fund's bank deposits are held at the same financial institutions as other funds of Jefferson Parish (the Parish), thus sharing in the maximum amount of federal depository insurance of that institution. At year-end, the carrying amount of these deposits were \$1,646,056. All of the bank balance was covered by federal depository insurance or by collateral held by the pledging financial institutions trust department or agent in the Parish's name.

5. Capital Assets and Depreciation

For the government-wide financial statements, capital assets are recorded at cost in the statement of net assets. Donated assets are valued at their estimated fair market value on the date received. Second Parish Court does not have any infrastructure assets. Depreciation is computed using the straight line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Leasehold improvements	20 years
Equipment	5-10 years
Vehicles	5 years

For fund financial statements, capital acquisitions are reflected as expenditures in the governmental fund at the time purchased.

6. Governmental Fund Balances

On January 1, 2011, the Fund adopted GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which significantly changed the reporting of fund balance in the balance sheets of governmental type funds.

In the governmental fund financial statements, fund balances are classified as follows:

1. Non-spendable fund balance – amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.
2. Restricted fund balance – amounts that can be spent only for specific purposes because of state or federal laws or externally imposed conditions by grantors, creditors, or citizens.
3. Committed fund balance – amounts that can be used only for specific purposes determined by a formal action by the Judges of the Second Parish Court.
4. Assigned fund balance – amounts that are constrained by the Fund's intent that they will be used for specific purposes.
5. Unassigned fund balance – all amounts not included in the other spendable classifications.

The Fund considers restricted fund balances to be spent for governmental expenditures first when both restricted and unrestricted resources are available. The Fund also considers committed fund balances to be spent first when other unrestricted fund balance classifications are available for use.

**JEFFERSON PARISH, LOUISIANA**  
**SECOND PARISH COURT JUDICIAL EXPENSE FUND**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

December 31, 2011

**NOTE B - DUE FROM OTHER GOVERNMENTS**

This amount represents the fines and fees due from the Jefferson Parish Sheriff's Office for collections made through December 31, 2011 and not yet remitted to the Fund.

**NOTE C – CAPITAL ASSETS**

A summary of the changes in Capital Assets follows:

	<u>BALANCE JANUARY 1, 2011</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE DECEMBER 31, 2011</u>
Equipment	\$ 4,246	\$ 0	\$ 0	\$ 4,246
Vehicles	55,187	32,434	25,190	62,431
Leasehold improvements	<u>11,611</u>	<u>0</u>	<u>0</u>	<u>11,611</u>
Total at historical cost	<u>71,044</u>	<u>32,434</u>	<u>25,190</u>	<u>78,288</u>
Total accumulated depreciation	<u>63,010</u>	<u>4,789</u>	<u>25,190</u>	<u>42,609</u>
Capital Assets, net	<u>\$ 8,034</u>	<u>\$ 27,645</u>	<u>\$ 0</u>	<u>\$ 35,679</u>

Depreciation expense for the year ended December 31, 2011 was \$4,789.

**NOTE D - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

The statutes which created the Fund place certain limitations and restrictions on the collections and disbursements of the Fund. The Fund is in compliance with all significant limitations and restrictions for 2011.

**NOTE E – SUBSEQUENT EVENTS**

Subsequent events were evaluated through June 23, 2012, which is the date the financial statements were available to be issued.



JEFFERSON PARISH, LOUISIANA  
SECOND PARISH COURT JUDICIAL EXPENSE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL

Year Ended December 31, 2011

	<u>BUDGET</u>		<u>GENERAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>FUND</u>	<u>FINAL BUDGET</u>
				<u>POSITIVE/</u>
				<u>(NEGATIVE)</u>
Revenues				
Charges for Services				
Fines & forfeitures	\$ 270,000	\$ 202,500	\$ 215,127	\$ 12,627
Court Cost Assessments	<u>20,000</u>	<u>23,130</u>	<u>25,075</u>	<u>1,945</u>
Total Revenues	<u>290,000</u>	<u>225,630</u>	<u>240,202</u>	<u>14,572</u>
Expenditures				
Current				
General Government				
Salaries & Benefits	68,900	62,085	59,041	3,044
Outside Services	66,000	44,544	30,924	13,620
Supplies & Office Expense	21,000	8,740	35,011	(26,271)
Capital Outlay	<u>55,000</u>	<u>45,450</u>	<u>32,434</u>	<u>13,016</u>
Total Current Expenditures	<u>210,900</u>	<u>160,819</u>	<u>157,410</u>	<u>3,409</u>
Excess (Deficiency) of Revenues over Expenditures	79,100	64,811	82,792	17,981
Other Funding Sources(Uses)				
Transfers out	<u>(90,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and other Financing sources over Expenditures and other uses	<u>(10,900)</u>	<u>64,811</u>	<u>82,792</u>	<u>17,981</u>
Fund Balance				
Beginning of Year	<u>1,574,900</u>	<u>1,574,900</u>	<u>1,574,900</u>	<u>0</u>
End of Year	<u>\$ 1,564,000</u>	<u>\$ 1,639,711</u>	<u>\$ 1,657,692</u>	<u>\$ 17,981</u>

See independent auditors' report.

# Kushner LaGraize, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

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## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Roy M. Cascio  
Judge, Division "A"  
Honorable Stephen C. Grefer  
Judge, Division "B"  
Second Parish Court for the Parish of Jefferson  
New Courthouse  
Gretna, Louisiana

We have audited the basic financial statements of the Second Parish Court Judicial Expense Fund (the Fund) as of and for the year ended December 31, 2011, and have issued our report thereon dated June 23, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### **Internal Control Over Financial Reporting**

Management of the Second Parish Court Judicial Expense Fund is responsible for establishing and maintaining internal control over financial reporting. In planning and performing our audit, we considered the Fund's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Fund's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Second Parish Court for the Parish of Jefferson and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than those specific parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

KUSHNER LAGRAIZE, L.L.C.

*Kushner LaGraize, L.L.C.*

Metairie, Louisiana  
June 23, 2012